

O&M Suballocation Meeting

October 7, 2002

Western Area Power's Office

Attendees:

Janice Bartlett, Western
Ron Davis, Davis Power Consultants
Mathew Foskett, NCPA
Russ Harrington, Westlands
Ron Jacobsma, Friant Water Auth
Steve Richardson, Western
Ed Roman, SMUD
George Senn, CVPWA
Martin Bauer, Reclamation

Michael Bloom, Roseville Electric
Bernard Erlich, City of Palo Alto Util
Melinda Grow, Western
Chase Hurley, Panoche Water District
Tasia Papajohn, Reclamation
Larry Riegle, NCI/SVP
Tom Ruthford, Reclamation
Jerry Toenyas, NCPA
Donna Daughety, Reclamation

Western's Administrative Expenses was the target for this meeting. We revisited the interest evaluation method and the interests. The numbers will be applied to the formulas after all formulas have been ranked. Navigant is in the process of updating the data set. After the November meeting, when we discuss the Power/Ancillary Services Purchases for PUE, we will begin inserting the data set into the formulas.

There was much discussion on the movable property depreciation and if it was correct to include it in the other areas (GWA and Transmission O&M). The Admin Movable Property Depreciation will be increasing drastically in the next few years due to the new scheduling requirements. It was agreed that we would split these scheduling software and equipment depreciation costs out. The only proposed formula at this time is to include them in the Western Scheduling Coordinator costs.

Next Meetings

November 13-14, 2002 – Visalia, CA

December 11, 2002 – Western Offices